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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Daniel E. Logsdon Jr.
Commissioner

March 16, 2015

PARTIES OF RECORD

Re: Case No. 2015-00039

Attached is a copy of a memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum please do so within five days of receipt of this letter. If you have any questions, please contact David Spenard, Commission Counsel, at 502/782-2580.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

Enclosures

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2015-00039
FROM: David Spenard, Staff Attorney *DS*
DATE: March 13, 2015
RE: Informal Conference of March 9, 2015

Pursuant to the Commission Staff's March 6, 2015 notice, an informal conference was held in this matter on March 9, 2015 to discuss the status of and issues in this case. Attending the conference were:

David Edward Spenard	-	Commission Staff
David P. Foster	-	Commission Staff
Jason Green	-	Commission Staff
Scott Lawless	-	Commission Staff
Cynthia C. Thompson	-	City of Augusta
Doug Padgett	-	City of Augusta
Gerald E. Wuetcher	-	Bracken County Water District
Diana Moran	-	Bracken County Water District (by telephone)
Michael Brothers	-	Bracken County Water District (by telephone)

At the start of the conference, Mr. Spenard stated that Commission Staff would prepare minutes of the conference for the case record, that a copy of the minutes would be provided to all parties, and that all parties would be given an opportunity to submit written comments upon those minutes. Mr. Spenard stated that the views of Commission Staff were not binding on the Commissioners, and he provided a procedural history of the case which included the fact that the procedural schedule established by the Commission's February 10, 2015 Order had been suspended.

The parties agreed that electronic procedures should be utilized for this case.

The parties agreed that the procedural schedule contained in the Commission's February 10, 2015 Order needed to be revised and reinstated.

The parties discussed a revised procedural schedule for the case. Mr. Wuetcher stated that the city of Augusta ("Augusta") had provided information to the Bracken County Water District ("Bracken District"), and the parties discussed whether and how the information could be made part of the record of the case. Mr. Wuetcher stated that Bracken District anticipated having more questions for Augusta and wanted to have the

opportunity to submit its initial requests to Augusta on or before March 16, 2015. Mr. Wuetcher stated that Bracken District wanted to reserve the opportunity to file testimony.

Commission Staff, Augusta, and Bracken District discussed the Commission's initial request for information and dates for a revised procedural schedule that would include an initial request by Bracken District, two additional rounds of discovery for Commission Staff and Bracken District, the opportunity for Bracken District to file testimony, a round of discovery for Commission Staff and Augusta upon any testimony that Bracken District filed, an informal conference, and a public hearing.

Mr. Wuetcher stated that there are other issues that Bracken District would like to discuss with Augusta such as rate mechanics, management, and the operation of the plant. He stated that Bracken District would like to engage in settlement discussions with Augusta because he believed that the parties could resolve their issues, and Ms. Thompson indicated that Augusta was open to settlement discussions.

There being no further business, the informal conference adjourned.

Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE)
WATER SERVICE RATES OF THE CITY OF) CASE NO. 2015-00039
AUGUSTA)

SIGN IN

March 9, 2015

PERSON

REPRESENTING

David Edward Spence

PSC Staff

Herald E. Wetcher

Bracken County WD. Stoll Keenon Ogden

David P. Kash

PSC Staff

Jason Green

PSC Staff

Scott Lawless

PSC Staff

Doug Padgett

Augusta

Cynthia C. Thompson

City of Augusta Attorney

Diane Moran

Bracken County Water District by teleconference

Michael Brothers

Bracken County Water District by teleconference.

*Bracken County Water District
1324 Brooksville Germantown Road
P. O. Box 201
Brooksville, KY 41004

*City of Augusta
219 Main Street
Augusta, KY 41002

John Laycock
Mayor
City of Augusta
219 Main Street
Augusta, KY 41002

*Diana Moran
Office Manager
Bracken County Water District
P. O. Box 201
Brooksville, KY 41004

*Honorable Cynthia C Thompson
Attorney at Law
202 E. Riverside Drive
Augusta, KENTUCKY 41002

*Gerald E Wuetcher
Attorney at Law
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